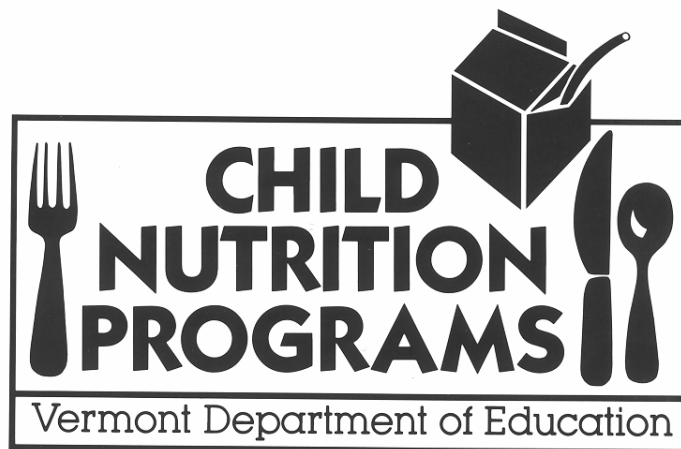


Reference Manual

APPROVING APPLICATIONS

For Free and Reduced Price Meals
or
Free School Milk

Conducting the Annual
VERIFICATION PROCESS



School Year 2008-2009

Vermont Department of Education

Child Nutrition Programs

INCOME ELIGIBILITY GUIDELINES

FREE AND REDUCED PRICE SCHOOL MEALS

OR FREE SCHOOL MILK

School Year 2008-2009

Household Size	Free					Reduced Price				
	Yearly	Monthly	Twice Per Month	Every Two Weeks	Weekly	Yearly	Monthly	Twice Per Month	Every Two Weeks	Weekly
1	13,520	1,127	564	520	260	19,240	1,604	802	740	370
2	18,200	1,517	759	700	350	25,900	2,159	1,080	997	499
3	22,880	1,907	954	880	440	32,560	2,714	1,357	1,253	627
4	27,560	2,297	1,149	1,060	530	39,220	3,269	1,635	1,509	755
5	32,240	2,687	1,344	1,240	620	45,880	3,824	1,912	1,765	883
6	36,920	3,077	1,539	1,420	710	52,540	4,379	2,190	2,021	1,011
7	41,600	3,467	1,734	1,600	800	59,200	4,934	2,467	2,277	1,139
8	46,280	3,857	1,929	1,780	890	65,860	5,489	2,745	2,534	1,267
For each additional household member add	4,680	390	195	180	90	6,660	555	278	257	129

Table of Contents

Introduction.....	5
What does it mean to “approve applications” and “conduct the verification process”?.....	5
The Tasks	5
The Persons Responsible	5
Overview of Application Approval and Verification Process	7-8
 Part 1 The Application Approval Process.....	 9
Where Do I Start?	10
Some of the terms related to application approval in the overview chart are unfamiliar...can you explain?.....	10
Categorical eligibility	10
Direct Certification	10-11
Head Start	12
Household	12-13
Institutionalized Child	13
Random Sample	13
Special Milk Program	13
How do I determine if an application qualifies a student for free or reduced price meals?.....	14
Evaluate the Application.....	14-17
Calculate Income	18-19
Inform Families of their Benefits.....	19
How do I make sure students get the benefits they are supposed to get?	20
Create Master Lists	20
Communicate with the Food Service Manager	21-22
Make the Application Process Easier for Families	23-24
What about these special cases?	25-27
What is the best way to manage all this paperwork?.....	27
Set up an Organizational System Ahead of Time	27
Sort and File the Eligibility Applications	28
Keep Students’ Eligibility Data Up to Date	28
Retain all Eligibility Documents	29
What if someone asks me to share information about free and reduced price eligible students?	29-31
 Part 2 The Verification Process.....	 32
What Is Verification?	33
Exemptions from the verification process	33
Time Frame.....	34
How do I know which applications to verify?.....	34
Determine which method to use to select applications to verify.....	35
Verification Sample Selection Worksheet	36-37
Select the required number of applications.....	38
Selection Methods.....	38
Have the Confirming Official review the applications.....	39
Begin completing the Verification Roster.....	39

What do I do once I have selected the sample?	39
Determine if any of the selected applications will be submitted for Direct Verification	39
Notify, in writing, the remaining households selected	39-40
Complete the Verification Roster	40
What do I do when households send me information?	40
Compare information received to that on the original approved application form to be sure that all sources of income have been documented	40
Review the material submitted	40
Take appropriate action	41
Notify the household of the outcome	41
Notify food service manager of changes	41
Use the Summary of Verification Outcomes chart for procedures to use	42
What if I don't get a response from a household?	43
Follow up immediately after the deadline has passed	43
What is the best way to manage the verification paperwork?	43
Maintain the required information	43
Retain copies of documents that are submitted	43
What about these special cases?	44-45
What Is the Verification Report and when does it have to be submitted?	45

Appendix A – Application Approval Documents and Sample Letters.....47

Notification of Pre-approval for Free School Meals	48
Notification of Pre-approval for Free School Milk	49
Notification of action taken on an application	50
Reminder Letter Regarding Expiration of Previous Year Eligibility Benefits	51
Master List—Free by Categorical Eligibility	52
Master List—Free by Income Eligibility	53
Master List—Reduced	54

Appendix B – Verification Documents and Sample Letters.....55

Direct Verification Letter	56
Notification of Selection for Verification of Eligibility	57
Enclosure #1	58
Enclosure #2	59
Enclosure #3	60
Enclosure #4	61
Verification Results	62
Verification Roster	63
Verification Report	64
Verification Report Instructions	65

Index..... 66-67

Contact Us

Jo Busha, State Director	828-5154	josephine.busha@state.vt.us
Bari Gladstone, Monitoring Coordinator	828-5152	bari.gladstone@state.vt.us
Helen Ballard, Special Programs Coordinator	828-5155	helen.ballard@state.vt.us
Cheryl Barrows, Admin. Assistant	828-2447	cheryl.barrows@state.vt.us

INTRODUCTION

What does it mean to “approve applications” and “conduct the verification process”?

NOTE: Local education agencies **cannot require families to submit separate applications for each of their children.** We strongly recommend that local education agencies either manage applications centrally or coordinate closely to assure that the multi-child/family applications are shared between schools within a school district as appropriate.

This does not apply to separate local education agencies (e.g. a town school district and a union high school district).

The Tasks

Federal regulations require schools that participate in the National School Lunch Program and/or the School Breakfast Program to serve meals free of charge or at a reduced price to all children who are determined by the local education agency (LEA) to be eligible for such meals based on criteria specified by the United States Department of Agriculture (USDA). Schools that participate in the Special Milk Program are allowed to serve milk at no charge to students who qualify based on USDA criteria. One way for children to receive these benefits is for parents or guardians to apply for free or reduced price meal benefits, (or free milk, in schools that participate in that program). Some children automatically qualify for free meal benefits through an arrangement with another state agency. Schools are notified of these students' eligibility, eliminating the need for parents or guardians to complete an eligibility application form.

Prior to 2004, the term school food authority (SFA) was used for local agencies administering school meals programs. In 2004 the Reauthorization law added the term “local education agency” (LEA) to identify the entity responsible for application approval and verification.

The applications received by a local education agency, as well as the direct notifications of eligible students, must be managed to ensure that students receive the meal benefits to which they are entitled. The LEA must be able to document eligibility of students for whom free or reduced price school meals are claimed.

In addition to approving applications and managing free and reduced price meal eligibility information, school lunch program regulations require that schools obtain documentation from a sample of families that have been approved for free or reduced price meal benefits. Determining the sample, notifying families, and receiving and evaluating the documentation received is called the verification process.

The Persons Responsible

Individuals must be appointed to carry out the responsibilities of an Approving Official, a Verification Official, a Hearing Official, and a Confirming Official in order to meet requirements for approving the applications (and managing free and reduced price eligibility information) and for completing the process of verifying a percentage of the applications on file as of October 1. Four different people can fill these positions. Or three people can be appointed, with the same individual serving as Approving Official and Verification Official. Individuals who serve as the Approving Official and/or the Verification Official cannot serve as either the Hearing Official or Confirming Official.

Sometimes the terms “officer” and “official” are used interchangeably (e.g., Approving Officer instead of Approving Official). The terms mean the same thing.

Approving Official

The Approving Official is responsible for

- using the federal guidelines to review and approve applications submitted by families
- managing information received from cooperating agencies regarding student eligibility
- keeping an accurate list of students eligible at all times during the school year
- providing the information to the school food service program so that students can receive the benefits they are eligible for

Schools or school districts may appoint whomever they wish to be the Approving Official except for an employee of a food service management company. The applications can be approved and free and reduced price eligibility information managed separately in each school in a district or can be approved and managed centrally.

Please be sure that the person who actually is handling these tasks of approving applications and managing free and reduced price eligibility information, and can answer questions about the process, is listed as the Approving Official on the school's Child Nutrition Programs' on-line site agreement.

Verification Official

The Verification Official may be the same person as the Approving Official, but that is not required. The Verification Official is responsible for

- selecting the sample according to the required process
- obtaining documentation and verifying that the students are eligible for the benefits they have been approved for
- reporting the results of the verification process

Hearing Official

The Hearing Official is the person a parent or guardian can ask to review the case when they feel the Approving Official or Verification Official has made a mistake in denying them benefits, or approving them for reduced price, rather than free, benefits. **The Hearing Official must be a different person from the Approving Official or Verification Official.** The Hearing Official usually outranks them in the hierarchy of the organization.

Confirming Official

This is a new responsibility starting with the 2005-2006 school year. The Confirming Official is the person who reviews the applications selected for verification to determine whether they were originally correctly approved. If yes, the Verification Official continues with the verification for those applications. If the Confirming Official finds an error in the original approval of an application, the family is notified of the change of benefits and another application is selected for verification.

The Confirming Official must be a different person from the person who made the original determination of eligibility.

The confirming official may choose to review all applications received, not just those selected for verification.

NOTE: Since the verification results must be reported by LEA (Local education agency), it is recommended that, in multi-school LEAs, application approval and management, as well as the verification process, be handled at the LEA level rather than at each individual school. If centralized management is not possible, close coordination among schools is a must.

Overview of Application Approval and Verification Process

Note: This manual and all of the forms and prototype letters are available on the web at:
http://education.vermont.gov/new/html/pgm_nutrition.html

TASK	TIME FRAME	WHERE TO FIND MORE INFORMATION
Mail out "Application" and "Notice to Parents." (Be sure to insert name of Hearing Officer before copying Notice.) OR Hand out "Application" and "Notice to Parents" to each student to take home.	July/August First Day of School	Copies were mailed in June. You can download a copy from the web site.
Get Direct Certification report from School Census web site. Send Pre-approval letters to families with Direct Certification letters.	August	Information, pp. 10 - 12 Use letters: p. 47 -48
Review applications submitted by households to be sure they are complete, compare the income reported to the Income Guidelines, and make eligibility determinations.	As they are received	Information, pp. 14 - 19
Send families "Notification of Action Taken" letter.	Within 10 days of receipt of application	Information, p. 20 Use letter: p. 50
Create a master list for each type of application/eligibility: <ul style="list-style-type: none"> • Direct Certification Report (serves as master list for students directly certified) • Categorical eligibility (food stamp or Reach Up number on application) • Applications approved for free based on income (includes foster children) • Applications approved for reduced Add student names to appropriate master list as eligibility determination is made.		Information, pp. 20 – 21 Sample Master Lists, pp. 52-55
Notify food service manager of students that have been approved for free or reduced price meals.	As soon as forms are approved	Information, p. 21 - 22
File applications by type and then alphabetically by the name of the first student (or by number) on the application. (Do not make a copy to have one form per student.)		
Contact families of children whose eligibility was carried over from the previous year who have not applied for the current year. Notify them that their eligibility will stop as of the 30 th day of operation (or October 15 which ever is sooner) unless they submit a new application that indicates that they are eligible.	On the 20 th day that school is in operation. (This will give the family 10 days notice.)	Information, pp. 23 Sample notification letter, p. 51

TASK	TIME FRAME	WHERE TO FIND MORE INFORMATION
Prepare for verification process: Determine which sampling method you will use Determine pool of eligible applications by counting those that are categorical or approved based on income	October 1	Information, pp. 33 - 34
Complete Verification Sample Selection Worksheet & select sample		Information p. 35 - 38 Use form, p. 36 - 37
Have Confirming Official review applications selected for verification to confirm that they were correctly approved. (Confirming Official may review all applications at the time they are approved.)	As soon as sample is chosen	Information, p. 39
Send out Direct Verification letter to the Food Stamp program for any categorically eligible application that was selected and any other application that the Verification Official decides to.	As soon as possible after sample is identified	Information, p. 39 Use form, p. 56
Prepare and mail out notices of selection for verification	No later than October 15	Information, p. 39 - 40 Use letter, p. 57, and appropriate enclosures, pp. 58 - 61
Begin completing Verification Roster by filling out names of students whose applications are being verified and date notification was sent		Information, p. 39 Use form, p. 63
Review information as it is received from families and evaluate for completeness		Information, pp. 40 - 42
Follow up with those who have not responded or who need to submit additional information	Within 10 days of receipt of documentation or the day after documentation was due.	Information, p. 43
Make determinations about whether the eligibility level remains the same or is changed as a result of data submitted		Information, p. 42
Complete all Verification activity. Notify families of outcome of verification including termination of benefits for non-response. Include date the change takes effect: <ul style="list-style-type: none"> In 10 calendar days for decrease in benefits Within 3 days for increase in benefits 	No later than November 15	Use letter, p. 62
Notify food service manager of any changes in benefits and date(s) the changes take effect	Immediately	Information, p. 41
Update master list with information about changes and effective dates	No later than November 15	
Complete Verification Roster started earlier		Use form, p. 63
Complete and submit Verification Report and copy of Verification Roster	No later than December 15	Information, p. 45 – 46 Report form, p. 62 – 63

PART 1

The Application Approval Process

Where do I Start?

Application materials were mailed to Superintendents and Principals in July. These are also available on the web site. http://education.vermont.gov/new/html/pgm_nutrition.html Click on School Nutrition Programs.

All students must receive an application. In schools that participate in the National School Lunch Program and/or the School Breakfast Program, the appropriate application is the *Application for Free and Reduced Price School Meals*. Provide the *Application for Free School Milk* only if your school participates in the Special Milk Program. Make sure each application is accompanied by a copy of the *Notice to Vermont Parents and Guardians*. **Before making copies, fill in the name of the Hearing Official, and other blanks on the form letter, on the Notice to Vermont Parents and Guardians.** Application materials can be mailed to households or provided to students on the first day of school.

Some of the terms related to application approval in the overview chart are unfamiliar...can you explain?

CATEGORICAL ELIGIBILITY

Children from households participating in certain federal programs are automatically – or categorically – eligible for free school meals or free milk (in schools that participate in the Special Milk Program). This is because these assistance programs have income guidelines that are the same as, or more restrictive than, the School Lunch Program guidelines.

There are several programs with different guidelines that do **not** confer categorical eligibility. These include Medicaid, Doctor Dynasaur, and SSI. An application must be completed by families who participate in these programs in order to be approved for free or reduced price meal benefits.

Over the years since categorical eligibility was first established there have been some changes to the way the term is used.

- **Direct certification** refers to students whose eligibility is established by contact (usually a letter or a list) directly from the assistance program. This direct certification establishes eligibility without the family having to submit a Free or Reduced Price Meal Application
- **Categorical eligibility** is now most commonly used to identify Free or Reduced Price Meal Applications that are submitted by a household and are approved based on the Food Stamp or Reach Up case number entered on the application

DIRECT CERTIFICATION

Child Nutrition Programs are required to establish a direct certification process which allows for categorically eligible students to receive free meal benefits without completing an application.

Direct Certification based on Food Stamp Eligibility

In Vermont the most common process uses data from the Department for Children and Families (DCF) generated in July based on household participation in the Food Stamp Program. The

data file, which contains the information required by USDA to directly certify students for free school meals (or free milk in schools that participate in the Special Milk Program), is transferred to the Department of Education through a secure web site. School personnel, usually referred to as the Registrar, who have access to the Spring Student Census data on-line can download a report listing the directly certified students in the school. This report is available to the Registrar once the school's Spring Census is submitted (it is due July 15.) Approving officials need to work closely with the registrar in each school in the local education agency to receive the direct certification report.

How schools notify parents of their eligibility for free meals

Schools send a notice to parents informing them that their children have been pre-approved for free school meals (or free milk if the school has only a milk program). It is very important, for the direct certification process to work effectively, to notify families **before school starts** so they know they do not need to complete an application form.

A sample pre-approval letter can be found in Appendix A on page 48 for meals and 49 for milk. It can also be downloaded from our web site.

What should I do if the direct certification list does not include one of the children in a family?

Children not included in the list may be new to your school, thus not in the census. Or the child who is not listed may not be part of the Food Stamp Household (they have their own way of designating this.) You should provide temporary approval for the student and send the Food Stamp office the direct verification letter to confirm that the child is in the Food Stamp Household (see page 56 for a sample letter). If not, the family will have to complete a separate application form for that child.

Please note: a photocopy of the Electronic Benefits card (Vermont Express) cannot be substituted for the Direct Certification. Program regulations specify that Direct Certification materials must identify the children to whom the benefits apply.

Other Types of Direct Certification

Head Start Children. Schools that provide meals for Head Start Programs may directly certify children who are enrolled in Head Start. A roster of the children must be submitted and signed by the Head Start Program director. This constitutes a master list of its own. It must be kept updated, noting any changes if children are added to or leave the Head Start program.

Runaway and Homeless Students. The Child Nutrition Reauthorization of 2004 also provides categorical eligibility for runaway and homeless children as defined in the McKinney-Vento Homeless Assistance Act. The definition of runaway and homeless includes individuals who lack a fixed, regular, nighttime address. This includes

- Children and youth who are sharing the housing of another person due to loss of housing, economic hardship, or a similar reason; are living in hotels, motels, trailer parks, or camping grounds due to the lack of alternative adequate housing; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement;
- Children and youth who have a primary nighttime residence that is a public or private place not designated for or ordinarily used as a regular sleeping accommodation for human beings;
- Children and youth who are living in cars, parks, public spaces, abandoned buildings,

- substandard housing, bus or train stations, or similar settings; and
- Migratory children who qualify as runaway and homeless because the children are living in circumstances described above.

The statute also requires each school district to designate a local education agency liaison for runaway and homeless children and youth. These liaisons are to ensure that runaway and homeless children are identified by school personnel, that they have full opportunity to enroll and succeed in school, and that they receive educational and other services for which they are eligible. **To expedite the delivery of nutritional benefits, the Approving Official may accept documentation that the children are homeless from the local educational liaison or directors of runaway and homeless shelters where children reside.**

Documentation to substantiate free meal eligibility must consist of the child's name or list of names, effective date(s), and the signature of the local educational liaison or the director of the shelter. This documentation is acceptable in lieu of a free and reduced price meal application. School officials should be promptly notified when children are no longer considered runaway or homeless. In the latter case, school officials must provide the household with an application for free or reduced price meals.

A list of the Homeless Liaisons for Vermont can be found in on the Department of Education's web site at http://www.education.vermont.gov/new/html/pgm_homeless.html

Migrant Students. Like the direct certification from the Food Stamp Program, the Department of Education's Migrant Education Program provides the documentation schools need to provide free meals to the students enrolled in the Migrant Education Program. This is done by sending a direct certification letter directly to the Food Service Manager and the principal at the school.

Because migrant students often move in and out of school districts, the Vermont Department of Education's Migrant Education Program (MEP) staff will inform schools when new eligible migrant students move into the school. Once the child is certified as eligible to receive free meals, eligibility remains for the remainder of the school year. It is the policy that the eligibility for free meals will continue from the previous school year for 30 operating days into the subsequent school year. The MEP will inform schools each September of eligible migrant students that are in the school.

HEAD START

Head Start programs, or Head Start collaboratives, located in a school building or sponsored by the school may participate in the school meals programs. As of 2008, all Head Start children are eligible for free meals. (See the paragraph on Direct Certification on page 11.)

The Director of the Head Start Program must prepare a master list that indicates each Head Start participant with the date the child was enrolled and the date the child withdrew (as necessary). The Head Start Director must sign the master list as certification of the categorical eligibility of the children on the list.

HOUSEHOLD

A group of related or unrelated people who are not residents of an institution or boarding house and who are living as one economic unit is considered a household.

Economic unit - A group of related or unrelated people who share housing and/or all significant income and expenses of its members. Generally, individuals living together in one house are an economic unit. However, more than one economic unit may reside in the same house. Separate economic units in this case are characterized by prorating expenses and economic independence from one another. For example, if two households, one with two members and one with four members, share a living space the smaller household would pay 1/3 of the expenses while the other would pay 2/3.

Household of one - A one-person household. The term applies to an emancipated child living alone or as a separate economic unit, a foster child, and an institutionalized child. In some cases an emancipated student may be living with relatives or friends, none of whom is an adult. If the household is one economic unit, all income and household members must be included in an application.

INSTITUTIONALIZED CHILD

An institutionalized child is a child who is a resident of a facility that the state has determined is not a boarding school. Such a child is considered a household of one.

NON-RESPONSE RATE

The percent of households that were selected for verification and did not respond or submit information required.

SAMPLING METHODS FOR VERIFICATION

Basic

Required of programs that had a 20% or greater non-response rate the previous year (see p. 34)

Alternate Method I: Random

The most common method used for selecting applications for verification. Under random sampling, each application must have equal chance of being selected, including all categorical and income applications. The minimum required sample is three percent of all approved applications on file on October 1.

Alternate Method II: Focused

Another sampling method. In this method a minimum required percent or number of applications based on income must be selected for verification AND a minimum required percent or number of applications based on categorical eligibility must be selected.

More information about these methods can be found on pages 34 - 38.

SPECIAL MILK PROGRAM

The Special Milk Program, which provides free and/or subsidized milk, is available only in schools where students do not have access to the School Lunch or School Breakfast programs and in split-session kindergartens and pre-schools where the children do not have access to the meals because of the timing of their sessions even though the meals programs are available to the older children in the building. In general, morning kindergarten sessions that start at the same time as the rest of the school are not eligible for the Special Milk Program if there is a School Breakfast Program.

1. Number applications as you receive them to make finding them (and also to find siblings with different names) easier.
2. The applications are intended as family applications. Families are encouraged to fill out one application for the family not one for each child (except in the case of a foster child – see number 6 below). Families cannot be required to complete a separate application for each child, nor should the Approving Official make copies of applications to have one application per student on file. Copying the applications confuses the Verification Process and makes it more difficult.
3. The school name is not required, but in districts with many schools, that information can be very helpful. School personnel may complete this information if needed.
4. The grade is not required, but it can be helpful to distinguish children with the same or similar names. School personnel may complete this information if needed.
5. If the family enters a Food Stamp case number or a Reach Up number, the child(ren) are categorically eligible for free school meals. That is, their category as a Food Stamp or Reach Up household makes them eligible. If a case number is filled in, the application does not have to report income. In fact, if the application does have income information, ignore it. The categorical eligibility takes precedence.

NOTE: To be categorically eligible these applications must contain a case number. Writing “yes” or something similar is not an acceptable response. **Only Food Stamps and Reach Up programs confer categorical eligibility.** Dr. Dynasaur, Medicaid, SSI, and WIC do not have the same income guidelines and participation in these programs does NOT make a child eligible for free school meals.

6. A foster child is considered a separate household (household of one). Therefore, each foster child must be listed on a separate application. A foster child application can be signed by a foster parent or social worker. The person who signs the application does not need to supply a social security number.
7. The eligibility guidelines for a household of one should be used to determine if the foster child is eligible (basing the eligibility on the child’s personal use income.)
8. The school lunch program regulations define a household as people living together and sharing expenses. Block 8 should list all the people in the household including the children named in block 2.

NOTE: Unborn children may not be listed as household members, nor counted in the total of household members.

9. The application asks for gross income and how often the income is received. Current income means: income received by the household for the current month, the amount projected for the first month the application is made for, or the month prior to application. If there are multiple income sources, and they are given for different time periods, the conversion chart found at the bottom of the application (see information about block 28 below) must be used to convert the income into a common time frame before determining the total income and comparing the income to the income guidelines. Converting all to yearly is recommended but other time frames are

permissible. If all of the income is reported for the same time periods, do not convert. Just add the income together and compare to the Income Guidelines chart for that family size and time period.

Once you have determined the total household income, use the Income Eligibility Guidelines to determine what eligibility level the household qualifies for. To use the Guidelines, find the line showing the number of people in the household. Read across to the income levels and frequency columns.

- If the household income is at or below the amount listed in the free column, the application is eligible for free.
- If the income is higher than what is listed in the free column but at or below the amount listed in the reduced column, then the application must be approved as eligible for reduced price.
- If the income is above the reduced guidelines, the application must be denied as over income.

NOTE: Don't forget that the Milk Program does not have a reduced category. If the application does not qualify for free, it is categorized as denied.

10. Alimony and child support are considered income to the receiving family. However, the application should list only payments that are received, not the amount awarded. Remember: the application is supposed to be reporting what the household income usually is.

NOTE: Sometimes people show the amount of money they pay out in child support as a negative number. However, the program regulations do not recognize deductions because the guidelines are based on GROSS income. These reported deductions must be ignored.

11. Social security payments, pensions, and retirement income are all reportable sources of income.
12. Other income might include rent payments, workers compensation payments, unemployment, or Other cash income, including amounts received or withdrawn from savings and investments.
13. This column allows the family to indicate which household members have no income.
14. The application is not considered complete until it has been signed by an adult household member. The application cannot be approved until it is signed.
15. The application is not considered complete until it has the social security number of the adult household member who signed the application (except in the case of a foster child or households that are categorically eligible). The application cannot be approved until this block is complete.
16. through 20. Blocks 16 through 20 are not required in order to call the application complete. However, it is important information and should be obtained from the family.

21. through 22. only need to be completed if the application is based on income. It is the responsibility of the approving officer to compute the household's total current income. Fill in the family size and the total income and check the time period for the income.
23. Check the time period (or frequency) that the income entered in (22) is based on.
24. through 25. The Approving Official must sign and date each application for it to be considered "approved."
26. through 27. The Confirming Official must sign any application he/she reviews. This may be done at the time the application is originally approved, or may be done once an application has been selected for verification. If the Confirming Official reviews the application at the time it is originally approved and finds that an error has been made, the approval must be corrected and the family notified of the change in benefits.

At a minimum, applications selected for verification must be reviewed to check that the application was correctly approved and then signed and dated by the Confirming Official. If it was correctly approved, the verification process is continued. If there was a mistake in the initial approval, the family is notified of the change in benefits and a new application is selected for verification.

28. If income is reported for different time periods, use this chart to convert it all to an amount for a common time period. The LEA must analyze all income by multiplying:
- Weekly income by 52
 - Bi-weekly income (received every two weeks) by 26
 - Semi-monthly (received twice a month) by 24
 - Monthly income by 12

Do not round values resulting from each conversion. Add all of the un-rounded converted income and compare the un-rounded total to the guidelines for annual income.

We are no longer to use the conversion factors of 4.33 to convert weekly or 2.15 to convert bi-weekly income.

29. The eligibility category must be checked. This is the determination of benefits that has been made. Circle the basis for approving the application as indicated so that it will be easier to sort for the verification process.
30. Temporary approval is appropriate for households that have a temporary loss of income (laid off, seasonal employment, not working due to illness, etc) or in cases where the application reports zero income. It is wise to note or flag temporary approvals to be sure that the family is contacted in 30 days to determine the current status. Be sure that the notification letter which is sent to the family indicates that the application has been approved on a temporary basis.

STEP 2. Calculate Income

If there is only one source of income or the income is reported for the same time period, no conversion is needed. Total all the income and compare to the appropriate guideline. DO NOT routinely convert income to monthly.

If income is reported for different time periods, use this chart to convert it all to an amount for a common time period. The LEA must analyze all income by multiplying:

- Weekly income by 52
- Bi-weekly income (received every two weeks) by 26
- Semi-monthly (received twice a month) by 24
- Monthly income by 12

Do not round values resulting from each conversion. Add all of the un-rounded converted income and compare the un-rounded total to the guidelines for annual income.

We are no longer to use the conversion factors of 4.33 to convert weekly or 2.15 to convert bi-weekly income.

Check the chart below for income that must be included in the calculation of total household income and what can be excluded.

Household Income	
Income to be reported on the application is any money received on a recurring basis including gross earned income. Specifically, gross earned income means all money earned before deductions such as income taxes, employee's social security taxes, insurance premiums, and bonds. (See exception for self-employed below.)	
Income includes: <ul style="list-style-type: none"> • Wages, salary, tips, commissions, fees • Social Security benefits, SSI • Unemployment compensation • Workman's compensation • Welfare payments • Alimony or child support payments • Unemployment compensation • Government or civilian retirement or pension • Veteran's payments • Regular contributions from a person not living in the household • Other cash income, including amounts received or withdrawn from savings and investments 	Income exclusions: <ul style="list-style-type: none"> • Cash, income, or value from federal programs that is excluded by legislation (food stamps, VISTA, RSVP, foster grandparents, etc.) • Student assistance from Pell grants, SEOG, PLUS, college work study, Byrd Honor Scholars program • Loans, such as bank loans, since these funds are only temporarily available and must be repaid • The value of in-kind compensation • Occasional earnings such as lawn mowing, baby sitting • 2008 Stimulus Package rebate checks

SELF-EMPLOYMENT INCOME

Self-employed persons may use last year's income as a base to project their current year's projected net income, unless their current monthly income provides a more accurate measure. Self-employed persons may use net income rather than gross income. Net income is determined by subtracting business expenses from gross receipts.

Gross receipts - includes the total income from goods sold or services rendered by the business. Farmers would include income from rent of land or equipment and from sale of incidental items like firewood, sand or gravel.

Deductible business expenses - includes the cost of goods purchased, rent, utilities, depreciation charges, wages and salaries paid, and business taxes (but not personal federal, state, or local income taxes). Farmers would include cost of feed, fertilizer and other supplies as well as interest on farm mortgages, farm building repairs and farm taxes (but not personal federal, state, or local income taxes).

Non-deductible business expenses - includes the value of salable merchandise used by proprietors of retail businesses.

NOTE: For a household with income from both wages and self-employment, each must be listed separately. When there is a business loss, income from wages may not be reduced by the amount of the business loss. If income from self-employment is negative, it should be listed as zero income.

OTHER INCOME INFORMATION

Lump Sum Payments – Lump sum payments or large cash settlements are not counted as income since they are not received on a regular basis. When lump sum payments are put into a savings account and the household regularly draws from that account for living expenses, the amount withdrawn is counted as income.

Garnished Wages and Bankruptcy – Income is the gross income received by a household before deductions. In the case of garnished wages and income ordered to be used in a specific manner, the total gross income must be considered regardless of whatever portions are garnished or used to pay creditors.

When a Household Reports Zero Income - When a household reports zero income or a temporary reduction in income, the eligibility **must** be determined based on the present rate of income rather than on regular annual income. However, the approving official should issue temporary approval of the application. The maximum time frame for a temporary approval is 30 calendar days. At the end of the approval period, the school should contact the family to determine if the household circumstances have changed. If there has been no change, the school should document the contact and extend the temporary approval. If the household circumstances have changed, the school should send the household a new application so they can reapply. At some point, it is expected that the household will have income to report or be receiving Food Stamp or Reach Up benefits. There may be circumstances, however, when it is appropriate to make the approval final even in cases of zero income. This will be determined on a case by case basis.

Remember that cash withdrawn from savings and regular contributions from persons not living in the household are reportable income.

Zero income on the application of a foster child or institutionalized child is acceptable and may be approved for the entire year

STEP 3. Inform Families of Their Benefits

Remember that applications must be reviewed and acted on within 10 days of receipt. Once the application is approved, the family must be notified in writing of the benefit level they have been approved for. A sample letter that may be used for this purpose can be found in Appendix A on page 48 and is also available as a Word document on our website so you can download and fill them in.

How do I make sure students get the benefits they are supposed to get?

STEP 1. Create Master Lists

The **master list** is sometimes referred to as a **benefit issuance list**. This list serves as the official record of students the school has approved for free or reduced price meal benefits at any given time. A school should be able to provide, on request, a record for the entire school year that includes **ALL** students from whom an application has been received, his or her original eligibility status, date of approval, any subsequent changes in status, and the effective date of those changes.

Consider the master list a “live” document or a “constantly evolving” document rather than a one that is final once it is first filled out. It is a historical document that tracks who was eligible for any period of time during the school year.

Procedures for developing and maintaining master lists:

1. Group the direct certification letters together (including Head Start, Migrant Education Program and Homeless liaison lists) separately from the applications. Then separate the approved (i.e., signed and dated) applications into groups of free based on categorical eligibility, free based on income, reduced, and denied. Taking these steps now will make the verification process easier.
2. Use the sample forms on pages 52 to 54 and the approved applications to develop the master lists. (A school may develop its own form; however, it should contain the same information that appears on the sample forms.)

At a minimum, there needs to be a master list of students who are approved for free meal benefits and a master list of students approved for reduced price benefits. If there are a lot of free eligible students, it may be helpful to create separate master lists for directly certified students, for those approved as free

based on income, and for those approved for free based on categorical eligibility. As you enter each child on the appropriate list, be sure to record the date his or her application was approved.

HINT #1

Number each application as you approve it. When you enter the names of the students on the master list, indicate the application number. That way, you can easily locate each student's approved application even when there are children with different last names on one form.

HINT #2

The Master List forms can be downloaded from our web site as a Word document. This will make it easier for you to maintain an electronic file of the eligibility information.

3. If a child's status changes due to a change in family income, a move out of the school district, or for some other reason, record the change(s) on the appropriate list(s), when the change(s) occurred, and why the change(s) occurred.

The 2004 Child Nutrition Reauthorization law established that eligibility, once established, is valid for the entire school year. However, if a household submits a new application that indicates a change in circumstances that increases their benefits, the change should be made.

4. Add any new student whose application is approved for meal benefits to the appropriate list.

STEP 2. Communicate With the Food Service Manager

If the food service manager does not approve applications, the approving officer must communicate information about any newly approved students, as well as any changes in status and their effective dates, in a timely manner to the appropriate food service personnel.

If the food service staff receives a new master list periodically, they should review it carefully for any discrepancies with the list currently in use. These discrepancies should be resolved and the previously used checklist should be kept as documentation that supports prior months' reimbursement claims.

Establish a regular process for checking in to be sure everyone has the same information (not only changes in benefits, but students who have dropped out of school, etc.)

For schools using a manual meal count system (e.g., roster, tickets, tokens):

1. If the food service manager is not the approving officer, then a master list must be provided to the food service staff person (or other person) who is responsible for developing the roster or selling tickets or tokens. Changes in any student's status must be communicated immediately to the appropriate food service staff person.
2. If the food service manager is the approving officer, the master list will be developed by the food service manager and changes and updates can be made easily as they occur.

For schools using a computerized point-of-sale meal count system:

1. If this is the first year for using a computerized system, the names of all the students enrolled at the school, plus other pertinent information to establish individual accounts, must be entered into the computer.
2. If your school used the computerized point-of-sale system in the previous year, delete or inactivate the accounts of all students from the previous year who are no longer enrolled in the school. Add student information for new students coming in.
3. Using the approved forms (or a list of approved students from the approving officer), enter the eligibility status for each approved student as part of their current account information.
4. If your software has the option of entering an "expiration date" for eligibility, go into the accounts of all students who were eligible for benefits at the end of the previous school year and enter the date that their "carryover eligibility" expires (30th school day, or October 15, whichever is earlier). If a new application is received from any of these students, their status must be changed as soon as the application is approved. If a current year application is not made, the benefit must be discontinued as of the expiration date.
5. Print out a report of free eligible students and a report of reduced price eligible students. If the food service manager is the approving officer, s/he should match the approved applications to the printouts to be sure they match name and eligibility category for name and eligibility category. If a school administrator or office staff person is the approving officer, this person should compare the printouts to the "office master list" and the approved applications on file to be sure that both lists and the applications match up exactly. Check out discrepancies and make any needed corrections.
6. The approving officer should be notified when students move or withdraw from the school so the appropriate person can inactivate the accounts for these students and inform the food service manager.
7. Any time a new student is approved or a student's status changes, those changes need to be made to appropriate account(s) immediately upon the effective date of the change. If the food service manager is not the approving officer, this information needs to be communicated to the foodservice manager in a timely manner. An updated printout of the free and reduced reports should be used once again to be sure that the lists match up exactly with the approved, active applications on file.

STEP 3. Make the Application Process Easier for Families

Using Last Year's Applications

Before applications are processed for the school year, schools may claim and be reimbursed for free or reduced price meals (or free milk in schools that participate in the Special Milk Program) served to:

- Children from households with approved applications on file from the previous year
- Newly enrolled children from households with children who were approved for benefits the previous year (e. g. a younger sibling) **except** that a child's categorical eligibility cannot be extended to a sibling.
- Previously approved children who moved from one school to another within the same local education agency. If the applications are not centrally maintained, both the sending school and the receiving school must maintain a copy of the transferred student's application.
- A student who is new to the local education agency may be approved for the same benefits he/she received at another school in the previous school year if a copy of the application is obtained.

CAUTION!

- Once a family submits an application, the prior year eligibility is no longer valid and benefits must be based on the current application.
- Applications for the prior year are valid only until the 30th day of operation in the new school year and are never valid after October 15.
- If no application has been received for a student by the 30th day of operation, the student's eligibility category must be changed to "paid".
- To make it easier to determine the verification sample, keep last year's applications separate from this year's even if you are using them to document the eligibility of students whose eligibility is carried over from last year.

NOTE: In Appendix A on page 51 you will find a sample letter to notify families that their previous year eligibility is about to expire.

Households That Fail To Apply

The principal may complete an application for a student **known to be eligible** if the household fails to apply. The principal must complete the application on behalf of the student based on the best household size and income information available. **The source of the information must be noted on the application.** The household must be notified that the student has been certified as eligible and is receiving free or reduced price meal benefits.

Students that are not categorically eligible or income eligible cannot be approved for benefits. There are no provisions for making exceptions based on unusual household circumstances, such as high medical expenses.

Reminder Notices

Schools are encouraged to send out notices or reminders during the school year inviting families to apply for free or reduced price school meals and reminding them that changed circumstances may make them eligible even if they did not feel they were eligible at the beginning of the school year. Some families are afraid that by accepting free or reduced price school meals they are costing the school money. Their fears can be allayed with a carefully worded invitation.

Applications in Other Languages

Applications in many languages are available from Child Nutrition Programs at the Department of Education. Please let us know if you have families that need foreign translations. Copies can also be obtained the USDA web site at <http://www.fns.usda.gov/cnd/FRP/frp.process.htm>.

Changes in Household Circumstances

Because of year-long duration of eligibility, households are not required to report changes in income or household size nor changes with regard to participation in programs that make the children categorically eligible. However, families may voluntarily report changes. If a change is reported that will increase benefits, the LEA must put that change into effect. However, if the change will decrease benefits, the LEA must explain to the household that the change does not have to go into effect but that the household may request the change go into effect. If the household chooses to have the change in benefits go into effect, the LEA must send a written notice of the change of benefits to the household.

What about these special cases?

ABSENT HOUSEHOLD MEMBERS

In most cases, household members who are temporarily absent from the household are considered household members and their income is included with other household income when making an eligibility designation. A child who is temporarily away at school (e.g. attending a boarding school or college) should be counted as a member of the household. However, a child who resides in an institutional-type facility is considered a household of one and should not be included as a household member.

Household members not living in the with the household for an extended period of time, or living overseas, are not included in the household for eligibility purposes, and only that portion of their income made available by them or on their behalf to the household is included as household income.

Policy Exception – USDA has made an exception to the previous paragraph. Service members activated or deployed in support of any military combat operations will continue to be considered part of the household.

ADULT STUDENTS

The regulations that govern the free and reduced eligibility states that these benefits are provided to “children”. The National School Lunch Program regulations define “child” as “a student of high school grade or under as determined by the State Agency, who is enrolled in an educational unit of high school grade or under” Thus, for adults to be eligible for free or reduced price school meals, they would have to be enrolled as a student in grade 12 or under.

CHILD LIVING WITH ONE PARENT, RELATIVES, FRIENDS

In cases where no specific welfare agency or court is legally responsible for a child or when a child is living with one parent, other relatives or friends of the family, the child is considered to be a member of the household with whom he/she resides, and the size and income of the household determines the child’s eligibility. This situation may be affected by the new definition of Runaway and Homeless Children and Youth (see page 11.)

CHILD SUPPORT PAYMENTS

Any money received by a household in the form of alimony or child support is considered income to the receiving household. However, if the household does not regularly receive the payments that were awarded, the application for free or reduced price meals should project the amount actually received.

Alimony and child support payments made by a household may not be deducted from a household’s reported gross income.

CITIZENSHIP, FOREIGN STUDENTS

U.S. citizenship is not a factor in determination of eligibility. The school must apply the same criteria to citizens and non-citizens alike. Foreign students and exchange students must be

considered members of the household they are staying with. The approval must be based on the entire household size and income information.

FOSTER CHILDREN

Foster children are wards of the state. Each foster child, including a pre-school foster child, is a household of one. An application should be completed for each foster child separately. If a family wants to apply for free or reduced price meals for their own children they should complete a separate application for them which includes the family income, exclusive of payments received for the care of the foster child, and does not include the foster child as a family member.

The foster parent/guardian or other official must sign the application for a foster child, however that person's social security number is not needed on the application.

HARDSHIP CASES

Households that are not categorically eligible or income eligible cannot be approved for benefits. There are no provisions for making exceptions based on unusual household circumstances, such as high medical expenses.

Remember: The principal may complete an application for a student **known to be eligible** if the household fails to apply. The principal must complete the application on behalf of the student based on the best household size and income information available. **The source of the information must be noted on the application.** The household must be notified that the student has been certified as eligible and is receiving free or reduced price meal benefits.

INCONSISTENT APPLICATIONS

If there are inconsistencies or questions concerning the required eligibility information, the household's application must be denied unless the inconsistencies or questions can be resolved. However, if the household reports Reach Up or food stamp case number and also reports income, the eligibility determination should be based on the fact that the family is participating in the Food Stamp or Reach Up Program.

PRE-SCHOOL STUDENTS

Preschool programs, Head Start programs, or Head Start collaboratives, located in a school building or sponsored by the school may participate in the school meals program. Children in these programs may qualify for free or reduced school meals through Direct Certification or applications for free or reduced price school meals.

PROJECTED INCOME

Seasonal workers and others whose income fluctuates usually earn more money in some months than others. Consequently the current or previous month's income may not reflect the household's actual circumstances. In these situations, the household may project its annual rate of income and report this amount as its current income. If the prior year's income provides an accurate reflection of the household's current annual rate of income, the prior year may be used as the basis for the projected annual rate of income.

SHARED CUSTODY

Sometimes in joint custody situations one parent may submit an application. If the application indicates that the student is eligible for meal benefits, s/he is eligible for those benefits no matter which household s/he is staying in. The child is part of both households, so if both parents submit applications, the child can be included in both applications as part of the household. In cases where both parents complete an application and it results in two different eligibility categories for the student, the greatest benefit level is used.

SUBSIDIZED ADOPTIONS

A subsidized adoption is when an adoption takes place and financial assistance is given; for example, when a foster family legally adopts a child that has medical problems and the State continues to provide payments to the family.

Although sections 673 and 674 of the Social Security Act specify that for the purposes of Title XIX (medical assistance) and Title XX (child care) children whose parents receive adoption payments shall be deemed to be recipients of Aid to Families with Dependent Children (now REACH UP), the statute did not extend this equivalency to school meals programs. And, since the statute did not exclude the adoption payments from being considered as income, the amount of the assistance must be included as income on the application.

ZERO INCOME

When a household reports zero income or a temporary reduction in income, the eligibility **must** be determined based on the present rate of income rather than on regular annual income. However, the approving official should issue temporary approval of the application. The maximum time frame for a temporary approval is 30 calendar days. At the end of the approval period, the school should contact the family to determine if the household circumstances have changed. If there has been no change, the school should document the contact and extend the temporary approval. If the household circumstances have changed, the school should send the household a new application so they can reapply. At some point, it is expected that the household will have income to report or be receiving Food Stamp or Reach Up benefits.

Remember that cash withdrawn from savings and regular contributions from persons not living in the household are reportable income.

Zero income on the application of a foster child or institutionalized child is acceptable and may be approved for the entire year. Zero income may also be accepted for students who are runaway or homeless or for whom the principal has completed an application.

What is the best way to manage all this paperwork?

STEP 1. Set Up an Organizational System Ahead of Time

Having a structure for managing the applications and master lists will make your life easier. Some people use three-ring binders with sections for each type of application (direct certifications, categorically free, free by income, reduced). Other people use file folders. While the master lists might be computer files, the applications will have to be physically managed.

STEP 2. Sort and File the Eligibility Applications

If you have not already done so, separate the applications into five groups:

1. direct certifications: the direct certification report from student census web site, Migrant program letters, Head Start lists
2. applications approved as free eligible based on categorical eligibility Food Stamp case number entered on the application)
3. applications approved as free eligible based on income
4. applications approved as reduced-price eligible
5. denied applications

To the degree possible, alphabetize the applications in each category. Put into notebooks or file folders and file in a secure place. If you have numbered the applications and each student's entry on the master list, you could organize the applications by number instead of alphabetizing them.

NOTE: With the changes in the verification process as of the 2005-2006 school year, it is also a good idea to flag or separate "error prone" applications. "Error prone" applications are those that are approved based on income that is within \$100 per month of the upper monthly limit or \$1200 per year of the upper yearly limit.

Please keep in mind:

- (a) The applications may be kept at the school or in a central place for the whole district, but must be retrievable by school.
- (b) It is not necessary – nor is it wise – to have a separate application for each child in a household. Multi-child applications have been made available to make it easier for families. It also reduces the number of applications that have to be verified.
- (c) The applications document the school's eligibility to receive free or reduced price reimbursement payments. They **MUST** be kept a minimum of three years after the end of the school year to which they apply. Your school district may have different record retention policies. Be sure to check to see that you comply with any local requirements that exceed the federal school lunch program regulations.

STEP 3. Keep Students' Eligibility Data Up To Date

If a student's status changes (e.g., from free to reduced, withdraws, moves, etc.), pull the application, make note of the status change on the application and put the application in the file that reflects the student's new status. If the change was based on a new application, be sure that the Master List documents the change. The old application should be kept in its original file with a clear indication that it has been superseded, with the date that the change was made. This way the documentation of the number of children who were eligible in each category at any given time can be maintained.

Update the master list and/or the computer account for the child(ren). Taking the time to document changes as they happen reduces the time and effort that may be needed at a later date to identify:

- How many students are eligible for each eligibility category at any time during the school year
- When and why students changed category
- When and why students may have bills from the food service program

STEP 4. Retain all eligibility documents

USDA regulations require that all eligibility documents be maintained for three years after the end of the fiscal year they apply to. They must be kept longer if required by an audit as long as required to resolve the issues raised by the audit.

What if someone asks me to share information about free and reduced price eligible students?

Federal regulations prohibit publishing, posting, or announcing the names of children eligible for free and reduced price meals. Therefore, schools are required to institute procedures that protect confidentiality of student eligibility status in money collection and meal counting systems.

DISCLOSING NAMES AND ELIGIBILITY STATUS

The Approving Officer may disclose, without parental consent, students' names and eligibility status to persons *directly* connected with the administration or enforcement of the following programs:

- Federal education programs such as Title I, and the National Assessment of Educational Progress
- State health or state education programs, provided the programs are administered by a State Agency or a local education agency
- Note: representatives of state or local education agencies evaluating the results and compliance with student assessment programs would be covered only to the extent that the assessment program was established at the state, not the local, level.
- Federal, state, or local means-tested nutrition programs with eligibility standards comparable to the National School Lunch Program.

DISCLOSING ALL ELIGIBILITY INFORMATION (i.e. actual applications)

In addition to names and eligibility status, Approving Officers may share all the information on an application, without consent, to the following:

- Persons directly connected with administration of or enforcement of one of the Child Nutrition Programs. This means that applications may be shared with sponsors of child care organizations that participate in the Child and Adult Care Food Program or organizations that operate a Summer Food Service Program.
- Federal, state, or local law enforcement or audit officials investigating violations of the programs.
- Federal or state program reviewers
- Federally funded child health programs such as Medicaid or, in Vermont, Dr. Dynasaur.

TRANSFERRING ELIGIBILITY BETWEEN LEAS

When a student transfers to another school district, the new LEA may accept the eligibility determination from the former district without incurring liability for the accuracy of the initial determination. When a copy of an application is provided, the receiving LEA should review the application for arithmetic errors and compare the household size and income to the Income Eligibility Guidelines to assure that the correct level of benefits was assigned. If the accepting LEA determines that an error was made in the child's benefit level, the accepting LEA must notify the household that it must file an application in the new LEA in order to receive benefits. Also, the accepting LEA must make changes that occur as a result of any verification activities or review findings conducted in that LEA.

Both the sending and receiving schools must maintain a copy of the application.

ISSUES RAISED BY THE SINGLE FAMILY APPLICATION FORM

Compared to many states, Vermont has many single-school local education agencies. While the regulations say that school districts cannot require families to complete separate applications for each of the children, this applies to a local education agency (i.e. a school district that operates a school lunch program and the school(s) that are part of that district) and not a supervisory union. Unfortunately this may not be clear to families that are applying for benefits. While schools may share applications to assure that students receive the correct benefits, it is not required. Schools within a supervisory union may want to establish procedures for how applications can be shared – especially between the elementary schools and the union high school.

If a school receives a copy of an application from another school, the Approving Official should review the application to assure that it is correctly approved before extending benefits. If it is found to be incorrectly approved, the receiving school should contact the sending school to resolve the discrepancy.

Prior consent is required for disclosing information to others. Some programs may request names and eligibility information for which consent prior to disclosure is required. These may include:

- Local health and local education programs
- Any other local activities. For example, disclosure of eligibility status to determine children's eligibility for free ski passes or ski equipment or free bus passes requires written parental consent when these are local initiatives.

The chart on the following page summarizes the rules concerning sharing eligibility information.

Appendix C of the USDA Eligibility Approval manual provides a prototype agreement LEAs can use when sharing eligibility information with authorized persons and programs.

<http://www.fns.usda.gov/cnd/Governance/notices/iegs/EligibilityManual.pdf>

Remember that targeted, wholesale mailings to households whose children are receiving free or reduced price meals, no matter the purpose, are not permitted.

Recipient of Information	Information that May be Disclosed	Required Notification and Consent
<i>Programs</i> under the National School Lunch Act or Child Nutrition Act	All eligibility information	Prior notice and consent not required
<i>Federal/State or Local means tested nutrition programs</i> with eligibility standards comparable to the NSLP	Eligibility status only	Prior notice and consent not required
<i>Federal education programs</i>	Eligibility status only	Prior notice and consent not required
<i>State education programs</i> administered by a State agency or local education agency	Eligibility status only	Prior notice and consent not required
<i>Local education programs</i>	NO eligibility information, unless parental consent is obtained	Must obtain parental consent
<i>Medicaid</i> or the <i>State children's health insurance programs (SCHIP)</i> , administered by a State or local agency authorized under titles XIX or XXI of the Social Security Act to identify and enroll eligible children	All eligibility information, unless parents elect not to have information disclosed	Must give prior notice to parents and opportunity for parents to decline to have their information disclosed
<i>State health programs</i> other than Medicaid/SCHIP, administered by a State agency or local education agency	Eligibility status only	Prior consent not required
<i>Federal health programs</i> other than Medicaid/SCHIP	NO eligibility information, unless parental consent is obtained	Must obtain parental consent
<i>Local health program</i>	NO eligibility information, unless parental consent is obtained	Must obtain parental consent
<i>Comptroller General</i> of the United States for purposes of audit and examination	All eligibility information	Prior notice and consent not required
<i>Federal, State or local law enforcement officials</i> investigating alleged violations of any of the programs under the NSLA and CAN or investigating violations of any of the programs that are authorized to have access to names and eligibility status	All eligibility information	Prior notice and consent not required

PART 2

The Verification Process

What is verification?

Verification is confirmation of eligibility for free and reduced price meals and is required by the regulations of the National School Lunch Program or School Breakfast Program. Verification **MUST** include: **either** confirmation of income eligibility **or** confirmation that the child is included in a currently certified food stamp or Reach Up household.

Verification At A Glance

- ✓ On an annual basis, each Local education agency (LEA) must select and verify a sample of applications approved for free and reduced price benefits.
- ✓ Households that are selected for verification must provide documentation that they are in fact eligible for the benefits they have been approved for.
- ✓ LEAs must use the Basic Sampling method for selecting the forms to be verified unless they can show they are eligible to use the Alternate method.
- ✓ The sample must be based on the number of approved applications (i.e., actual pieces of paper) on file as of October 1 for the current school year.
- ✓ Verification must be completed by November 15. That is, everyone in the sample must be confirmed as eligible or notified of the change/termination of benefits by this date
- ✓ LEAs must report the results of verification to the Department of Education using the required format. This report must be submitted by December 15.

NOTE: In multi-site LEAs the most efficient method for completing verification is to have a single verification effort that includes all sites. However, whether verification is conducted by one person or more than one person, the Verification Report must contain consolidated data for the entire LEA.

EXEMPTIONS FROM THE VERIFICATION PROCESS

Some applications are not eligible for verification and for whom verification efforts are **NOT** required. These include:

- (a) for children who have been certified under direct certification procedures (i.e., those approved for free meals on the basis of the Direct Certification from the Department for Children and Families)
- (b) for children who have been approved for free meals based on a homeless liaison's list, Head Start program list, Even Start Program list, Migrant Education Program letter
- (c) for applications completed by the principal when the household failed to apply
- (d) in Residential Child Care Institutions (includes child care centers, juvenile detention centers, residential clinics or group homes).
- (e) in schools at which children are served at no extra charge and no free or reduced price meals are claimed (i.e., non-pricing programs claiming only the paid rate of reimbursement)
- (f) in "Milk Only" schools

TIME FRAME

Remember – with the passage of the 2004 Child Nutrition Reauthorization law, the timeframe for the verification process is quite compressed. Begin the process as early as possible to give yourself, and the households whose applications you are verifying, adequate time to successfully complete the process.

Hint #3

The application selection process can be started in advance of October 1, so long as the final sample size is based on the number of applications that have been approved as of that date.

Some schools begin sending verification notices as soon as applications start coming in. Be sure to approve applications based on the information provided and do not let verification efforts delay the initial approval of the application.

Review the Chart on Pages 7 and 8 for an overview of this process and the deadlines for completing each step.

How do I know which applications to verify?

The Basic Method must be used unless the LEA had less than 20% non-response rate last year. A less than 20% non-response rate allows the use of the Alternate Method.

	<i>BASIC METHOD</i>	<i>ALTERNATE METHOD</i>
How do I determine whether to use the basic Method or the Alternate Method?	LEAs that had a 20% or greater non-response rate on their verification sample last year MUST use the basic process. The non-response rate is the percent of households selected for verification that did not respond.	LEAs that had less than 20% non-response rate may use the alternate method (The alternate method is essentially the standard random sample that we have used in the past or LEAs may use the focused method which is explained on page 36.)
Which applications are in the total from which the sample is drawn?	Error prone applications. (Error prone applications are those approved based on income and the income reported is within \$100/month or \$1,200/year of the income limit.)	<ul style="list-style-type: none"> • Categorical applications • Applications approved for free based on income • Applications approved for reduced price
How many applications must be selected	Error prone applications to equal 3% of the applications that are eligible for verification. If not enough error prone applications are available to make 3% of the total applications eligible for verification, then a random selection method must be used to select additional applications based on income from those applications that are not error prone.	<p>Random Sampling: 3% of the total of the applications that are eligible for verification. The applications are selected using a random selection method.</p> <p>Focused Sampling: 1% of total approved applications plus .5% of applications with a Food Stamp or Reach Up case number</p>

STEP 1. Determine which method to use to select applications to verify.

The worksheet on the following page will help you figure out whether you must use the Basic Method or can use the Alternate Method. Once the form is complete, make a copy of it. You will need to submit this form with your Verification Report. You may need to refer to last year's Verification Report to complete Step 1 of the worksheet.

Verification Sample Selection Worksheet

LEA Name _____

STEP 1: Determine non-response rate using last year's results.

Number of non-responses from last year	÷	Number of applications selected for verification last year	x 100	% non-response (Non-response rate)
--	---	--	-------	---------------------------------------

STEP 2: Determine which method to use (Basic or Alternate).

If the Non-response rate (above) is 20% or more , use BASIC METHOD (below)	If the Non-response rate is less than 20% , may use ALTERNATE (either Random bottom of page or Focused on next page) <u>or</u> BASIC METHOD (below)
--	--

STEP 3: Select the sample**BASIC METHOD (note: this worksheet refers to number of applications not students)**

A.	Determine required sample size	
1.	Number of categorical applications	
2.	Number of applications approved as free based on income	+
3.	Number of reduced price applications	+
4.	Total Applications Eligible For Verification	=
		x .03
5.	Calculated Sample Size	=
	REQUIRED SAMPLE SIZE	
	If the number in Line 5 is a whole number, enter this number in the box to the right. If the number in Line 5 is a decimal, round this number UP to the next higher whole number, (even if it is less than .5). Enter this number in the box to the right.	=
B.	Determine number of "error prone" applications	
7.	Number of applications approved as free based on income that meet the criteria for "error prone."	
8.	Number of applications approved as reduced that meet the criteria for "error prone."	+
9.	TOTAL "ERROR PRONE" APPLICATIONS	=
C.	Compare the number of "error prone" applications to the Required Sample Size.	
10.	Number required (from Line 6)	
11.	Total number of error prone (from Line 9)	-
12.	Difference (+ or -)	=
	If Line 12 is a positive number (i.e., Line 6 is a higher number than Line 9), you will need to use a random selection method to choose this many additional applications based on income from those you have that are not "error prone."	
	If Line 12 is a negative number (i.e., Line 6 is a lower number than Line 9), use a random selection method to choose the Required Sample Size (Line 6) from only the "error prone" applications.	

ALTERNATE METHOD I- Random Method

1.	Number of categorical applications	
2.	Number of applications approved as free based on income	
3.	Number of reduced price applications	
4.	TOTAL	
5.		x .03
6.	Calculated Sample Size	=
	REQUIRED SAMPLE SIZE	
	If the number in Line 6 is a whole number, enter this number in the box to the right. If the number in Line 6 is a decimal, round this number UP to the next higher whole number, (even if it is less than .5). Enter this number in the box to the right. Use a random selection method to choose this number of applications. See other side for Alternate Method 2	=

ALTERNATE METHOD II– Focused Sample Method			
1.	Number of applications (all applications – those based on income plus those based on case numbers)		
2.		x	.01
3.	Number of income applications (within \$100/month or \$1,200/yr of the guideline) that must be verified. Round UP to a whole number. At least one application must be verified.	=	
4.	Number of applications based on a food stamp or Reach Up case number		
5.		x	.005
6.	Number of food stamp/Reach Up applications that must be verified. Round UP to a whole number. At least one application must be verified.	=	
	Total number of applications to be verified: Line 3 plus Line 6	=	

Make a copy of this completed form and submit it with the Verification Report

STEP 2. Select the required number of applications.

Use the information from your worksheet to select the required number and type of applications. If you are using the Basic Method (selecting error prone applications) and there are more than the required sample size, use the random method to select the sample. If there are fewer error prone applications than will be needed to complete the required sample size, use the random method to select additional applications based on income until you have selected enough to meet the required sample size.

If you are using the Alternate Method I (Random Sampling) use the random selection method described below.

If you are using the Alternate Method II (Focused Sampling) use the selection methods described below. You may need to use random methods to select applications if there are more in a category than will be needed to complete the sample size.

RANDOM SELECTION METHODS

You can use one of the methods below or another appropriate method that does not discriminate or does not result in all categorical applications (Food Stamp/Reach Up) or all income-based applications being selected for verification. All applications must have an equal chance of being selected.

- **A selection interval may be used.** This is done by dividing the total number of approved applications on file in the LEA by the sample size, then selecting applications at the interval indicated by this number. See the example below.
- **A random drawing may be used. Put all the applications in a container and draw the required number of applications at random.**

Example of Selection Interval

Anytown LEA had 340 applications on file; 11 were required to be verified. To determine the interval, the verification officer divided 340 by 11, with a result of 30.9, or 31. The verification officer randomly selected the first application then every 31st application until 11 applications had been selected. These were the applications verified.

FOCUSED SELECTION METHODS

- **Calculate 1 percent.** Determine the total number of approved applications on October 1. This includes applications based on income and applications with a case number. Multiply this number times .01. The result is the number of income applications that must be verified. Be sure to round UP to the next whole number. At least one application must be verified.
- **Select the 1 percent sample.** Select the number of income-based applications that must be verified from those applications that reported income that is within \$100/month or \$1,200/year of the limit. If there are more such applications than are needed, use a random method to select the applications to verify. If there are not enough applications within the \$100/month or \$1,200/year, select the remainder to be verified from applications with income closest to these thresholds.
- **Calculate .5%.** Determine the total number of applications that were approved based on a Food Stamp or Reach Up case number. Multiply that number by .005. This is the number of applications with case numbers that must be verified. Round UP to a whole number. At least one must be verified.

STEP 3. Have the Confirming Official review the applications

Applications selected for verification must be reviewed to be certain that the original approval was correct. This review must be done by someone other than the person who did the original approval. The review may have been conducted at the time the application was approved. If not, it must be done before proceeding with verification. If the application was correctly approved, it stays in the sample. If it is found to have been approved incorrectly, the family must be notified of the change, and another application selected for verification.

Be sure that the confirming official signs and dates the applications as they are reviewed.

STEP 4. Begin completing the Verification Roster

Enter on the Verification Roster the names of the students on the applications that have been selected. The Verification Roster can be found on Page 63.

To make it easier to complete the Verification Roster, it is recommended that you sort the applications by type (categorical, free by income, reduced) before you begin writing. Choose one category and list the students on those applications. If possible, leave a gap before entering the next category. This gap can serve as a "Total" line when you are adding up the result for entering the data on the Verification Report. If needed, you can copy the Roster to have enough room for all of the students whose applications were verified.

What do I do once I have selected the sample?

STEP 1. Determine if any of the selected applications will be submitted for direct verification

LEAs may use what is called "direct verification" to obtain verification of eligibility without having to contact the families. The Department for Children and Families has provided a form that can be used to contact them directly to determine if a child is receiving benefits in one of those programs. The letter can be found in Appendix B on page 56. You will need to complete one form for each application (or household) you want to verify. Send it out as soon as possible to give them time to respond to you.

Direct verification can be used for any application, but is especially helpful for verifying applications approved based on a food stamp or Reach Up case number (categorically eligible).

Be sure to send the letter to the address on the form.

STEP 2. Notify, in writing, the remaining households selected.

Send a letter to each household listed on the applications selected for verification. To be sure that this notification of verification includes the required information, use the sample letters in Appendix B.

Include Enclosure 1 with each notification letter and Enclosures 2, 3, and/or 4 if

appropriate for a household. You can tell which are appropriate depending on what kind of information was on the original application. Be sure to indicate the date by which they must respond. To determine what that date should be you should take into account

- The number of responses you will need to track and follow up on
- The amount of time you feel is reasonable for someone to respond
- The amount of time you will need to re-contact the family, if necessary
- The amount of time you will need to assess the material the families send in
- The amount of time you will need to prepare and mail the Verification Results letter

Keep in mind that the entire verification process must be complete by November 15.

NOTE: The letters used for the Verification Process can be downloaded from the Department of Education's web site http://education.vermont.gov/new/html/pgm_nutrition/school_nutrition/program_info.html

STEP 3. Complete the Verification Roster

Keep track of the verification process and all household contacts that are made as you complete each step of the process. This will make it easier to determine when the entire process is complete. The Roster will also be very helpful as you prepare to complete the Verification Report. The Verification Roster can be found on page 63.

What do I do when households send me information?

STEP 1. Compare information received to that on the original approved application form to be sure that all sources of income have been documented.

Be sure that the household has provided information for any point in time between the month prior to application and the time they were notified of verification. Self-employed households can provide the previous year's income tax information.

When written information about income is provided, check to be sure the household has provided the social security numbers of all household adults 21 years or older.

STEP 2. Review the material submitted.

Once you are sure that you have all of the documents that are needed, you can evaluate the data from the material that was submitted. In cases where income is reported for different time periods, convert all income sources to a common time period using the conversion factors on the bottom of the application. Compare the documented income to the Income Guidelines and determine the current eligibility category.

STEP 3. Take appropriate action.

There are four possible responses to requests for verification information. These responses, and actions required by the LEA, are explained in the chart on the following page titled **Summary of Verification Outcomes**.

STEP 4. Notify the household of the outcome.

The Verification Results letter on page 62 in Appendix B can be used to let the household know the outcome of the verification process. If the benefits will change from free to reduced, or from free or reduced to paid, remember to give a 10-day notice before the change goes into effect. If benefits will change from reduced to free, the change must be made within 3 days.

STEP 5. Notify the Food Service Manager of any changes and the effective date for each change.

It is important to notify food service not only of changes in benefits, but the date(s) these changes become effective. If the benefits will decrease (when they change from free to reduced or from free or reduced to paid), there must be a 10-calendar day notice before the change goes into effect. If benefits are increased (when they change from reduced to free), the change can be made immediately, but no later than 3 days.

Summary of Verification Outcomes

<i>If the response to the request for verification information is... ↴</i>	<i>And the LEA determination of the information is... ↴</i>	<i>Then the LEA should take this action... ↴</i>	<i>Verification can be considered complete as of... ↴</i>
☞ LEA receives documentation of household/individual participation in the Food Stamp or Reach Up Program. (The household or the local food stamp office or Department for Children and Families office can verify participation.)	The information provided shows the household's eligibility should be for a higher level of benefits than the eligibility determination previously made.	Send letter to notify household that benefits will increase. (Use letter shown on page 60 of this booklet.)	The latest date of : - the letter is mailed -the Master List is changed -the eligibility is changed in the food service program
	The information provided confirms the eligibility determination previously made.	Send letter to notify household that benefits will not change. (Use letter shown on page 60 of this booklet.)	The date the letter is mailed.
☞ The household submits the required written evidence of current income and the names and social security numbers of all adult household members.	The information provided confirms the eligibility determination previously made.	Send letter to notify household that benefits will not change. (Use letter shown on page 60 of this booklet.)	The date the letter is mailed.
	The information provided shows the household's eligibility should be for a lower level of benefits than the eligibility determination previously made.	Send letter to notify household that benefits will decrease. (Use letter shown on page 60 of this booklet.)	The latest date of : - the letter is mailed -the Master List is changed -the eligibility is changed in the food service program
	The information provided shows the household's eligibility should be for a higher level of benefits than the eligibility determination previously made.	Send letter to notify household that benefits will increase. (Use letter shown on page 60 of this booklet.)	The latest date of : - the letter is mailed -the Master List changed -the eligibility is changed in the food service program
☞ The household submits insufficient or obsolete written evidence.	None can be made at this time.	The LEA can either: a. contact the household to request the missing written evidence and inform the household that failure to comply will result in termination of benefits. If the household subsequently cooperates, then one of the first two situations in column 1 above would result. b. terminate benefits to the household for failure to respond to the request for written evidence or failure to cooperate with the verification process. (Use letter on page 60 for written notification to household.)	For a. in previous column: The latest date of : - the letter is mailed -the Master List is changed -the eligibility is changed in the food service program For b. in previous column: The latest date of : - the letter is mailed -the Master List is changed -the eligibility is changed in the food service program
☞ The household does not respond to the request for income information and/or social security number	None can be made at this time.	See a. above. The 2004 Reauthorization law requires that LEAs make at least one attempt to follow up with a household that does not respond. If the household still does not respond see b. above.	The latest date of : - the letter is mailed -the Master List is changed -the eligibility is changed

What if I don't get a response from a household?

STEP 1. Follow up immediately after the deadline has passed.

The 2004 Child Nutrition Reauthorization law includes a requirement that LEAs make at least one follow up contact with households that do not respond. Make sure that the household received the verification notice and remind them that failure to respond will result in the denial of benefits as of a specific date. Record all contacts on the Verification Roster.

STEP 2. Use the chart on page 42 for procedures to use.

Remember – the non-response rate this year will affect the verification method you will have to use next year.

What is the best way to manage the verification paperwork?

1. Maintain the required information.

LEAs are required to maintain three things:

- A description of the verification efforts summarizing the selection process (this is done with the Verification Sample Worksheet)
- Documentation that verification was conducted (this is done with the materials received from the households)
- The results of the verification including a record of any change in eligibility (this is done with the verification roster, copies of letters to the households, updates to the master lists, and notes on the original applications)

The Verification Sample Worksheet, Verification Roster and the Verification Report are your records for most of this information. The Verification Sample Worksheet is on page 36-37; the Verification Roster and Report forms are in Appendix B, pages 63 and 64.

2. Retain copies of documents that are submitted.

Be sure to file and keep the direct verification letter from the Department for Children and Families. If the application is verified by documents submitted by the household, you must either retain the documents or a photocopy of them. Enough of a record from the documents must be retained to show the time period of eligibility or income, income shown on the document and the date of the document.

3. Retain copies of all relevant correspondence with the household and/or other agencies.

4. Create a Verification file.

Keep a file that contains all of the documentation of each application verified along with a copy of each application (the original application should remain in the file of applications.) This file should also contain the completed Sample Worksheet, Roster, and final report.

5. Be sure to return the original application to the appropriate application file.

What about these special cases?

1. What if a household submits a new application after benefits have been cut off because they did not send in verification of income?

Any household that has been denied benefits because they did not submit verification information **MUST** submit verification of income or categorical eligibility in order for children in that household to be reinstated as eligible for free or reduced-price meal benefits during the remainder of the school year. A student's benefits can be reinstated at any time after the household submits the necessary documentation for verification and these documents support a finding of eligibility.

2. Can a household submit a new application in lieu of verification?

No. Once a household has been selected for verification, they must submit documentation of their eligibility in order to continue to receive benefits.

3. What if an application is selected for verification, but the household transfers out of the district before the information can be verified?

Verification is considered complete when a household's eligibility for the level of benefits they are receiving is either confirmed, or the household is sent a letter of adverse action. If a household selected for verification transfers out of the district before the eligibility can be verified, verification cannot be completed. To meet the minimum verification requirements, a new application **must** be selected.

4. How is overtime counted for the purposes of verification?

Check with the family to determine whether the overtime for the time period being verified is representative of overtime received in other similar time periods. If the overtime is a one-time or sporadic source of income, income should be calculated based on the regular income without overtime.

5. What kind of written documentation is required for verification of a foster child's application?

Contact the household and ask for the name, agency and phone number of the social worker assigned to that child. A phone call to the social worker confirming the child's status as a foster child and the amount of money designated by the agency for the child's personal use is sufficient verification. The conversation must be documented to complete the verification.

6. If a household submits a pay stub for a week, do I have to go back and ask for pay stubs for a whole month?

No. If the weekly pay stub is representative of what the household normally receives each week, one pay stub is sufficient.

7. Can I select a sample larger than the number required?

No. It is important to note that the National School Lunch Act, as revised in 2004, now establishes an exact sample size for routine annual verification activities. You must verify at least as many applications as calculated by the sample formula but may do no more.

8. What if an application is selected for a household I know is having extreme difficulty and will find it very hard to comply with the verification requirement?

The law now allows LEAs, on individual review, to decline to verify up to 5% of applications in the selected sample. No matter how many applications are selected for verification, LEAs may still decline up to 5 percent. Since no minimum sample size is required for this provision to apply, an LEA may decline and replace an application from a "fragile" household even if the sample size is one application. Any application that is removed from the sample must be replaced with another application. LEAs should consider factors such as household stability and communication difficulties when declining an application.

What Is the Verification Report and when does it have to be submitted?

1. USDA has established verification reporting requirements

The Verification Report collects information about the verification efforts at the local level and the results of verification. LEAs will need to collect and summarize three data points for each verified application:

- the number of students approved for benefits on the application,
- the original basis for approval of the application and
- the status of the application after verification.

Completely filling out the Verification Roster for each verified application will make it easier to collect and report the information requested on the Report form. The Verification Roster is on page 63 in Appendix B.

2. The form will continue to be a report on paper.

The Verification Report on page 64 is the form that must be submitted to Child Nutrition Programs by December 15. The instructions are on page 65. There are no means to submit this data electronically. However you can obtain an electronic copy on the web if you wish to fill out the form using your computer.

3. The Verification Report is due December 15.

You must submit the results of the verification process by December 15. The LEA will need to submit:

- Verification Sample Selection Worksheet (page 36 - 37)
- The Verification Roster (page 63)
- The Verification Report (page 64)

Appendix A

Application Approval Documents and Sample Letters

NOTIFICATION OF PRE-APPROVAL FOR FREE SCHOOL MEALS

Date:

To The Parent/Guardian of

--

Because your child(ren) get food stamps, your child(ren) will get FREE meals at school.

IF YOU WANT YOUR CHILD TO GET FREE MEALS – DO NOTHING! IF YOUR CHILD BRINGS HOME AN APPLICATION FOR FREE AND REDUCED PRICE MEALS, DO NOT FILL IT OUT.

If you **do not** want your child(ren) to receive free school meals, call _____ or write to: _____

If your child has been determined by a doctor to have a disability that prevents the child from eating regular school meals, the school will make substitutions prescribed by the doctor. If a substitution is needed, there will be no extra charge for the meal. If you believe your child needs substitutions because of a disability, please contact us at the phone number listed above.

Sincerely,

Name

Title

Keep this letter, as it may be helpful in determining your child's eligibility for other programs. Health insurance is an example. If you need Health Insurance, call 1-800-250 VHAP (8427).

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write: USDA, Director of the Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call 800-795-3272 or 202-720-6382 (TTY). USDA is an equal opportunity provider and employer.

NOTIFICATION OF PRE-APPROVAL FOR FREE SCHOOL MILK

Date:

To The Parent/Guardian of

--

Because your child(ren) get food stamps, your child(ren) will get FREE milk at school.

IF YOU WANT YOUR CHILD TO GET FREE MILK – DO NOTHING! IF YOUR CHILD BRINGS HOME AN APPLICATION FOR FREE MILK, DO NOT FILL IT OUT.

If you **do not** want your child(ren) to receive free school milk, call _____ or write to: _____.

Sincerely,

Name

Title

Keep this letter, as it may be helpful in determining your child's eligibility for other programs. Health insurance is an example. If you need Health Insurance, call 1-800-250 VHAP (8427).

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write: USDA, Director of the Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call 800-795-3272 or 202-720-6382 (TTY). USDA is an equal opportunity provider and employer.

NOTIFICATION OF APPROVAL OR DENIAL OF FREE/REDUCED MEALS OR FREE MILK

Date (insert date)

Dear (insert names of parents/guardians)

Thank you for submitting an application for free or reduced price meals or free milk for:
(insert children's names on these lines)

The application for free or reduced price meals for your child/children is

 Approved effective (insert date) **for**

 Free meals

 Reduced price lunch. The reduced price for lunch is 40 cents

 Your child(ren) will receive breakfast at no charge.

 Temporarily approved for free meals until (insert date) After that time you will need to provide current income information or food stamp/Reach Up information

 Approved for free milk

 Denied because

 The income reported is over the allowable amount.

 We need more complete information. Please provide the following

You may apply for meal benefits at any time during the school year. If you are not eligible now but have a decrease in income or increase in household size, or begin receiving REACH UP or food stamps, you may fill out another application at that time.

If you do not agree with the above decision, you may discuss it with:

(Name and phone number of Approving Official)

You also have the right to a fair hearing. To request a fair hearing write or call:

(Name and phone number of Hearing Official)

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write: USDA, Director of the Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call 800-795-3272 or 202-720-6382 (TTY). USDA is an equal opportunity provider and employer.

**REMINDER LETTER REGARDING EXPIRATION OF PREVIOUS YEAR
ELIGIBILITY BENEFITS**

DATE:

TO:

FROM:

RE: School Meals

Last year your family was eligible for Free / Reduced school meals. As of today, we have not received an application for the current year. Unless you submit an application, your child(ren) will have to pay the full price.

As of _____, your child(ren) will have to pay the following prices for school meals:

Breakfast \$ _____

Lunch \$ _____

Enclosed is information about the meals program as printed in the school handbook. Also enclosed is another copy of the application form if you wish to apply.

You may call _____ at _____ if you want to discuss this matter.

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write: USDA, Director of the Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call 800-795-3272 or 202-720-6382 (TTY). USDA is an equal opportunity provider and employer.

Year _____ Page _____

[illegible]

Year _____ Page _____

[illegible]

Appendix B

Verification Documents and Sample Letters

Vermont Department of Education
**Food Stamp Verification
for School Lunch Program**

For school to complete:

School Name _____ Date _____

School Address _____

School representative _____

Phone _____ Email address _____

Please verify that the children identified below are receiving Food Stamp or Reach Up benefits. If there are additional children, please list them on the back of the form.

1. Parent's name _____ Case Number _____

2. Address _____

3. City _____ State _____ Zip code _____

Child's name _____

Date of birth _____ Social security number _____

Child's name _____

Date of birth _____ Social security number _____

Child's name _____

Date of birth _____ Social security number _____

**Send this form to: Department for Children and Families,
ESD Central Office Staff, School Lunch Verification,
103 S. Main St., Waterbury, Vt. 05671-1201
Please enclose a self-addressed return envelope.**

For DCF to complete:

_____ The children identified above ARE receiving Food Stamp or Reach Up benefits.

_____ The children identified above are NOT receiving Food Stamp or Reach Up benefits.

DCF staff member verifying information _____

Date of verification _____ Phone: _____ Email _____

NOTIFICATION OF SELECTION FOR VERIFICATION OF ELIGIBILITY

Date _____

Dear _____:

Federal regulations require that schools conduct a review of a sample number of applications for free and reduced price meals to assure that only eligible students receive these benefits. Your child(ren)'s application has been selected as part of this review.

You must reply to this letter, or your child will not continue to receive free or reduced price meals. This letter requires that you send information or contact _____ by _____.
(Name) (Date)

YOU MUST SEND EITHER:

- papers that show that you get food stamps or Reach Up benefits for your child(ren)
- OR**
- papers that show your household's total gross income **AND** the name and social security number of each adult member of your household

The papers that you send may be for any point in time from the month before the date when you applied for free or reduce school meals this year up to the current time.

Enclosure #1 lists the kinds of papers that you may use to prove that you get food stamps or Reach Up benefits for your child or to show your household's income. If possible, send *copies* of the documents, not the originals. If you do send original documents, we will not send them back unless you ask.

We will let you know the results as soon as we complete the review of all the materials you send to us. If you have any questions or if you need any help, please call _____ at _____.
(Phone Number) (Name)

Thank you for your cooperation.

Sincerely,

(Name)
(Title)

These are enclosed:	Enclosure #1 and Reduced	Acceptable Information for Verification of Free Price Meals
---------------------	-----------------------------	--

These are enclosed only if appropriate for your household:

Enclosure #2	Names and Social Security Numbers of Adult Household Members
Enclosure #3	Letter a Household May Have the Social Security Office Complete
Enclosure #4	Letter a Household May Have an Employer Complete

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write: USDA, Director of the Office of Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call 800-795-3272 or 202-720-6382 (TTY). USDA is an equal opportunity provider and employer.

ACCEPTABLE INFORMATION FOR VERIFICATION OF ELIGIBILITY FOR FREE AND REDUCED PRICE MEALS

You must send **either**: (1) papers that show you receive Food Stamps, **or** (2) the names and social security numbers of each adult household member on the enclosed sheet **and** papers that show your household's income. You may use documentation of Food Stamps or income from the month preceding application through the current month.

IF YOU PUT A FOOD STAMP OR REACH UP CASE NUMBER ON YOUR CHILD(REN)'S APPLICATION BUT YOU NO LONGER GET FOOD STAMPS OR REACH UP BENEFITS, you need to do **all** of the following:

1. Make out another application form with income information for everyone in your household.
2. Write the name and social security number of each adult household member on the application or on another piece of paper.
3. Send copies of pay stubs or other papers that show your current income from all sources.

IF YOU DO NOT RECEIVE FOOD STAMPS OR REACH UP BENEFITS, you need to do **both** of the following:

1. Send copies of information or papers that show this information for each person who earned money in your household last month:
 - the amount of gross income received
 - the name of the person who received it
 - the date the income was received
 - how often the income is received
2. Write the name and social security number for each adult household member on **Enclosure #2** and send it to us.

ACCEPTABLE DOCUMENTS FOR SHOWING HOUSEHOLD INCOME

Earnings/Wages/Salary for each job:

- current paycheck stub or pay envelope that shows how much and how often pay is received
- letter from employer stating gross wages paid and how often they are paid
- Income Tax Return from previous year

Unemployment compensation, disability, Worker's Compensation:

- notice of eligibility from State employment security office
- Check stub
- Letter from Worker's Compensation

Welfare Payments (Reach Up, General Assistance)

- Letter from DCF that shows benefits received

Social Security/Pensions/Retirement Income:

- Social Security Retirement benefit letter
- Statement of benefits received
- Pension award notice

Child Support/Alimony

- Court Decree, agreement, or copies of checks received

All other income

- If you have other types of income (such as rental income) send information that shows the amount of income received, how often it is received, and the date(s) received

No income

- Send a note explaining how you provide basic necessities and when you expect income

If you have any questions, or need help deciding what to send, call _____

NAMES AND SOCIAL SECURITY NUMBERS OF ADULT HOUSEHOLD MEMBERS

If you do not show that you now receive Food Stamps or Reach Up for your child(ren), you need to complete this form and send it in with papers that show your current household income.

Directions: Fill in the name and social security number of each adult household member 21 years or older. If an adult does not have a Social Security number, write in the word "none".

HOUSEHOLD MEMBERS 21 YEARS OR OLDER	SOCIAL SECURITY NUMBERS
1.	
2.	
3.	
4.	
5.	
6.	

Privacy Act Statement:

The National School Lunch Act requires that, unless you show that you receive food stamps or Reach Up benefits for your child(ren), you must provide the social security number of each adult household member or indicate that the household member does not have a social security number. Provision of a social security number is not mandatory, but if a social security number is not provided for each adult household member or an indication made that an adult household member does not have a social security number benefits will be terminate. The social security number may be used to identify household members in verifying the correctness of information stated on the application and continued eligibility for the program. These verification efforts may be through program reviews, audits, and investigations and may include contacting employers to determine income, contacting a food stamp or welfare office to determine current certification for receipt of food stamps or Reach Up benefits, contacting the State employment security office to determine the amount of benefits received and checking the documentation produced by household members to prove the amount of income received. These efforts may result in a loss or reduction of benefits, administrative claims or legal actions if incorrect information is reported. This information must be provided to each adult household member disclosing his/her social security number.

LETTER A HOUSEHOLD MAY HAVE THE SOCIAL SECURITY OFFICE COMPLETE

**STATEMENT OF SOCIAL SECURITY
AND/OR SUPPLEMENTAL SECURITY INCOME (SSI)**

This statement is to confirm that _____ received the following
(Name of Claimant)
benefits from social security \$_____ or SSI \$_____ for the
month of _____.

Signature and Title of Official

Date

Address

City, State, Zip

Telephone

LETTER A HOUSEHOLD MAY HAVE AN EMPLOYER COMPLETE

STATEMENT OF EARNINGS

This statement is to confirm that _____ received the
(Employee's Name)

following amount of gross income (income before deductions for taxes, social security, insurance, etc. were made) in the **most recent** pay period \$ _____

This income is paid:

- ☐ weekly
- ☐ every two weeks
- ☐ twice a month
- ☐ monthly
- ☐ other (please explain)

Date the payment listed above was made _____.

Company Name

Federal Employer ID# (FEIN)

Signature of Employer or Employer Representative

Title

Address _____

City, State, Zip _____

Telephone _____

VERIFICATION RESULTS

Date _____

Dear (insert names of parents/guardians):

Thank you for providing information we requested to verify your child(ren)'s eligibility for free or reduced price meals. The results are indicated below.

_____ Your child(ren)'s eligibility for meal benefits will **REMAIN AT** _____.

_____ **Starting immediately** your child(ren)'s benefits will **CHANGE FROM REDUCED PRICE TO FREE** because your income is within the free meal eligibility limits.

_____ On _____ (Insert date) your child(ren)'s benefits will **CHANGE FROM FREE TO REDUCED PRICE** because your income is over the allowable amount for receiving free benefits. The reduced price charge for lunch is \$ _____ and \$ _____ for breakfast.

_____ On _____ (Insert date) your child(ren)'s benefits will **CHANGE FROM FREE TO NO BENEFITS** because your income is over the allowable amount for receiving benefits. The full price for a student lunch is \$ _____ and \$ _____ for breakfast.

_____ On _____ (Insert date) your child(ren)'s benefits will **CHANGE FROM REDUCED PRICE TO NO BENEFITS** because your income is over the allowable amount for receiving reduced price benefits. The full price for a student lunch is \$ _____ and \$ _____ for breakfast.

_____ On _____ (Insert date) your child(ren)'s benefits will **BENEFITS WILL STOP** because you did not provide proof of current eligibility. The full price for a student lunch is \$ _____ and \$ _____ for breakfast.

Your child(ren)'s benefit may be reinstated if you provide the verification information that was requested.

If you do not agree with the decision above, you may discuss it with me. You also have the right to a fair hearing. If you request a hearing by 10 calendar days from the date of this letter, your child(ren) will continue to receive their current benefits until the decision of the hearing official is made. You may request a fair hearing by calling or writing:

Name: _____

Phone: _____

Address/City/State/Zip: _____

Sincerely,

(Approving Official Name, Title and Contact Information))

In accordance with federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write: USDA, Director of the Office of Civil Rights, 1400 Independence Ave., SW, Washington, D.C. 20250-9410 or call (800) 795-3272 or (202) 720-6382 (TTY). USDA is an equal opportunity provider and employer.

Verification Roster

LEA _____ Year _____ Page ____ of ____

Directions: Once the sample of applications has been determined, enter the application number and the names of the students listed on the applications that were chosen for verification. For Application Type, enter “C” for categorical, “F” for free by income or “R” for reduced. Enter dates for each activity identified and simply check the appropriate column under “Results” and “Reasons.” **Submit a copy of this completed form to Department of Education Child Nutrition Programs with the Verification Report by December 15.**

Application Number	Name of Student	Application Type	Date (s)					Results of Verification				Reasons for Change			
			Selected and Notice Sent	Response Due	Income information verified	Terminated	Results sent to parent	a. No change	b. Changed to Free	c. Changed to Reduced	d. Changed to paid	Income too high	Not current FS or RU	e. No response	Other

Name of Person Who Completed This Form _____ Phone Number _____

Verification Report

1. LEA ID# (see on-line agreement)				Mail to: Child Nutrition Programs Vermont Department of Education 120 State Street Montpelier, VT 05620					
2. LEA Name (see on-line agreement)									
3. Type of LEA		<input type="checkbox"/> Public <input type="checkbox"/> Private							
4. School Year		2008 - 2009							
PART I Enrollment, Application, and Eligibility Information (as of October 1)				9. Type of Verification Used (see Verification Manual p. 33) <input type="checkbox"/> Basic <input type="checkbox"/> Alternate Random <input type="checkbox"/> Alternate Focused					
5. Number of schools in this LEA operating a lunch and/or breakfast program				PART 2 Results of Verification, by Application Type					
6. Number of students enrolled in these schools that have access to the lunch and/or breakfast program				Step 1. What type(s) of applications did you verify? →					
				A. FREE based on Food Stamp or Reach Up case number (Categorically Eligible)		B. FREE based on Income/Household Size (Income Eligible)		C. REDUCED Price Eligible	
	# of STUDENTS	# of APPLICATIONS	Step 2. What was the result?↓	# Students	#Apps	# Students	#Apps	# Students	#Apps
7. Total approved for FREE (must equal the sum of 7-a through 7-c)				10. Responded, No Change (column a. on Roster)					
7-a	# approved as free who are NOT SUBJECT TO Verification (directly certified, runaway and homeless liaison list, Head Start list, migrant list, residential students in RCCIs, non-applicants approved by local officials)			11. Responded, Changed to Free (column b. on Roster)					
7-b	# approved as FREE based on Food Stamp or Reach Up case number submitted on an application (Categorically Eligible)			12. Responded, Changed to Reduced (column c. on Roster)					
7-c	# approved as FREE based on income/household size			13. Responded, Changed to Paid (column d. on Roster)					
8. Total approved for REDUCED				14. Did not respond and benefits were terminated (column e. on Roster)					

Printed Name of Person Who Completed This Form

Signature of Person Who Completed This Form

Title

See Instructions on the reverse side

Phone Number

#	Instruction	#	Instruction	Comments
1.	List the LEA's LEA# (The LEA # can be found in the LEA on-line application/agreement.)	7.	Enter the total number of <u>students</u> eligible for free meals approved for this school year by October 1 The number in block 7 must equal the total of 7-a plus 7-b plus 7-c.	Do not include students whose current eligibility is based on approval made last year and carried over to this year (and for whom you don't yet have an application for the 08-09 school year.)
2.	Enter the LEA's full name. (The LEA name can be found in the LEA on-line application/agreement.)	7-b	In the first block, enter the number of <u>students</u> approved as FREE based on a Food Stamp or Reach Up case number submitted on an application (i.e. categorically eligible). In the second block enter the number of <u>applications</u> that were approved as free based on a Food Stamp or Reach Up case number.	Since there is probably more than one student listed on some applications, the number of <u>students</u> will be at least the same and probably greater than the number of <u>applications</u> you report in block 7-b.
3.	Check one box	7-c	In the first block enter the number of <u>students</u> approved as FREE based on an application that provided income/household size information. In the second block enter the number of <u>applications</u> that provided income/household size information.	Since there is probably more than one student listed on some applications, the number of <u>students</u> will be at least the same and probably greater than the number of <u>applications</u> you report in block 7-c. NOTE: Foster children and their applications are counted in this block.
4.	Already filled in for you	8.	In the first block enter the number of <u>students</u> approved for REDUCED price. In the second block enter the number of <u>applications</u> that were approved for reduced price meals.	Do not include students whose current eligibility is based on approval made last year and carried over to this year. Since there is probably more than one student listed on some applications, the number of <u>students</u> will be at least the same and probably greater than the number of <u>applications</u> you report in block 8.
5.	Enter the number of schools (sites) in the LEA that participate in the school breakfast and/or school lunch program	9.	Check one	The worksheet (page 36-37) in the manual explains these terms
6.	Enter the total enrollment of students who have access to the breakfast and/or lunch programs at the sites reported in Block 5.	10. to 14.	In these blocks report the outcome for each application verified. In the first block enter the number of students who were approved on the applications verified in that category (listed at the top of the column) for that outcome (listed at the beginning of the row), and in the next block enter the number of applications that those students were on.	Find the column for the category or basis on which the application was originally approved for each application that was verified (i.e. was the application free based on income, etc.) Then find the outcome for each application (i.e. there was no change, there was a change from free to reduced, etc.) Use your Verification Roster to determine results for each application.

INDEX

	Pages
Absent Household Members	25
Adult Student	25
Alimony	16, 18, 25, 58
Alternate Method of Verification	34-37
Approving Official	5-6, 11, 12, 15, 17, 19, 27, 30
Basic Method of Verification	34-36
Categorical Eligibility	7, 10, 11, 12, 13, 15, 20, 21, 23, 28, 44, 52
Changes in Household Circumstances	24
Child Support	16, 18, 25, 58
Confidentiality	29
Confirming Official	5, 6, 8, 17, 39
Custody, Shared or Joint	27
Deadlines	7-8
Direct Certification, Direct Certification spreadsheet	7, 10-12, 20, 26-28, 33
Direct Verification	8, 11, 39, 43
Doctor Dynasaur	10, 15, 29
Duration of Benefits	5, 6, 8, 10-12, 17, 24
Electronic Benefits Card, Vermont Express	11
Error prone applications	34, 38
Exemptions from Verification	33
Food Stamps	15, 18, 48-50, 56-59
Foreign Students	25
Foster Child	7, 13, 15, 16, 20, 25-27, 45, 65
Hardship Cases	26
Head Start	11, 12, 20, 26, 28, 33
Hearing Official	5, 6, 10
Runaway and homeless Children	11, 12, 20, 25, 27, 33
Household	10, 11, 13, 15, 16, 18, 19, 20, 21, 23, 24
Households that Fail to Apply	23
Income Guidelines	p. 2 (Inside Front Cover)
Income, Household Income	16, 18, 25, 58, 59
Institutionalized Child	13, 20, 27
Last Year's Applications	23
Master List	7, 8, 11, 12, 20-22, 27-28, 41- 43, 52-54
Migrant Students	12
Medicaid	10, 15, 29, 31
Military Service Members	25
New Application	7, 17, 19, 21, 22, 27, 28, 44
Pre-Approval	7, 11, 48, 49
Pre-school Students	13, 26
Random Sample, Random Selection	13, 34, 36, 38
Reach Up	7, 10, 15, 19, 26, 27, 33, 34, 37, 38-40, 42
Self-employment Income	19

Shared Custody	27
Special Cases	25, 44
SSI	10, 15, 60
Subsidized Adoptions	27
Temporary Approval	11, 17, 19, 27
Time Frames	7, 15, 19, 27, 34
Verification Official	5, 6, 8
Verification Report	8, 33, 35, 37, 39, 40, 43, 45, 46, 63, 64
Verification Roster	8, 39, 40, 43, 46, 63
Zero Income	17, 20, 27

The Child Nutrition Programs web site where documents can be found and downloaded is www.education.vermont.gov